T.I.P.S CONSULTANTS CC.

Reg Nr 2008/123388/23

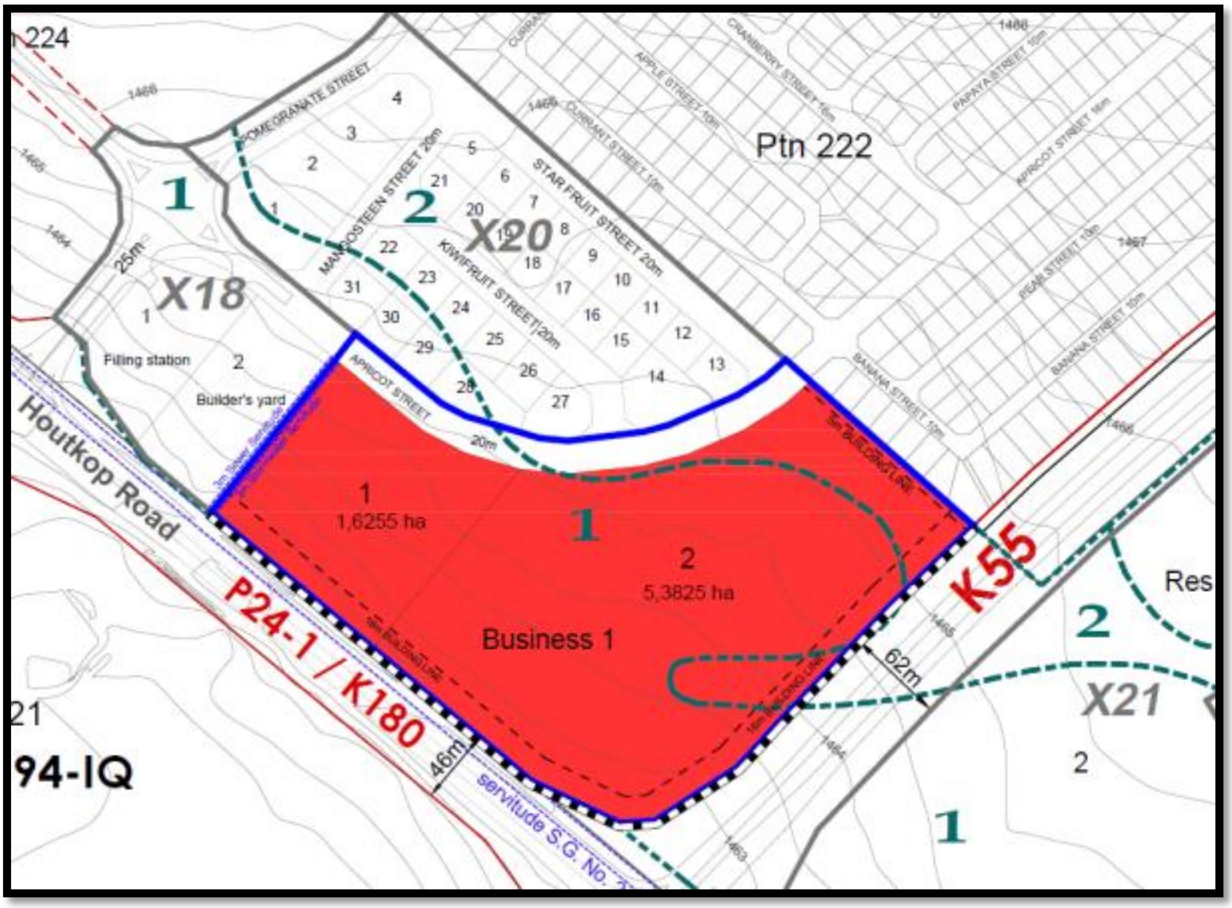
EXPERTS IN; PROPERTY VALUATION AND TOWN AND REGIONAL PLANNING.

T L van der Linde N.DIP Real Estate UNISA

Professional Valuer. MIVSA/MSACPVP Reg No4017/0

A B van der Linde. Bsc in Town and Regional Planning University of Pretoria

VALUATION REPORT



Unitas Park Ext 19 Erven 1 & 2 Situated on Portion 224 Farm Houtkop 594 IQ
Midvaal

MARKET VALUE R28 000 000

Table of Contents

1.) Brief and Purpose of Valuation

The client Mr Van Heerden in his capacity as the owner of the subject property instructed us to determine the fair value of Erven 1 & 2 Unitas Park Extention 19. Portion 224 of The Farm Houtkop 594 IQ, Midvaal, Gauteng Province, as on the 12th of September 2017. This valuation must reflect the fair value of the asset as on the date of valuation as per zoning. The valuation must comply with the International Valuation Standards. Fair Value is used for reporting both Market and Non-Market Values in financial statements. Where the Market Value of an asset can be established, this value will equate to Fair Value. The whole asset must be valued to determine a value for the registration of servitude.

(i) Definition of Value Applicable.

***Fair Value** is the amount for which an asset could be exchanged or a liability settled between knowledgeable willing parties in an arm's length transaction.*

***Market value** being defined as; the estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.*

Minister van Waterwese v Mostert, 1966 4 SA 690(A) 723F
Minister van Waterwese v Von During, 1971 1 SA 858(A)
871A
The direct comparison method is regarded as a sound valuation method, also by our Courts.
It is necessary to take cognisance of the principles as set out in Pietermaritzburg Corporation v South African Breweries Ltd, 1911 AD 501 at 516: " it may not be always possible to fix the market value by reference to concrete examples. There may be cases where, owing to the nature of the property, or to the absence of transactions suitable for comparison, the valuer's difficulties are much increased. His duty then would be to take into consideration every circumstance likely to influence the mind of a purchaser, the present cost of erecting the property, the uses to which it is capable of being put, its business facilities as affording an opportunity for profit, its situation and surroundings, and so on. There being no concrete illustration ready to hand of the operation of all these considerations upon the mind of an actual buyer, he would have to employ his skill and experience in deciding what a purchaser, if one were to appear, would be likely to give. And in that way he would, to the best of his ability, be giving the exchange value of the property.

General and acceptable principles of valuations are applied:

Ramachandran's The Law of Land Acquisition and Compensation 8 uitg (1995) at 647: "As stated in Velayudam Chettiar v Special Tahsildar AIR 1959 Mad 462 (Ind) valuation of immovable property is not an exact science. It is an inquiry relating to a subject abounding in uncertainties, where there is more than ordinary guesswork and where it would be very unfair to require an exact exposition of reasons for the conclusions arrived at. It has been held repeatedly that in valuations, judicial or otherwise, there must be room for interference and inclinations of opinion which, being more or less conjectural, are difficult to reduce to exact reasoning or to explain to others and it is not fair to require an exact exposition of reason for the conclusion arrived at. In short the question of fair compensation is not a algebraic problem which would be solved by an abstract formula."

Also see Sher and Others NNO v Administrator, Transvaal 1990 (4) SA 545 (A) at 556E-I

2.) Definition of valuation method applicable

The "COMPARABLE SALES" method of valuation has been followed in determining the value of the subject property. Also known as the "Sales Comparison Approach". This comparative approach considers the sales of similar or substitute properties and related market data and establishes a value estimate by processes involving comparison. In general, a property being valued (The Subject Property.) is compared with sales of similar properties that have been transacted in the market. Listings and offerings may also be considered. Assumptions are suppositions taken to be true. Assumptions involve facts, conditions, or situations affecting the subject of, or approach to a valuation but which may not be capable or worthy of verification. They are matters that, once declared are to be accepted in understanding the valuation. All assumptions underlying a valuation should be reasonable.

In applying the sales comparison approach, a Valuer must consider the property rights to be valued to ensure that the property rights in the subject property are the same as those associated with the comparable properties. If this is not the case, (an) appropriate adjustment(s) to the comparable sales is necessary. This approach has especially broad applicability and is persuasive whenever sufficient market data are available. Data obtained by application of this approach may be applied in the income capitalization and cost approaches. The reliability of sales comparison may be limited, however, when market conditions are marked by rapid change or volatilility, or in valuations of specialized, or special purpose, properties that are rarely sold. In this approach, comparable *sales data are adjusted to reflect the differences between each comparable property and the subject property. Elements of comparison include real property rights conveyed, financing terms, and conditions of sale, expenditures made immediately after purchase, market conditions, location, physical characteristics, and use and non-realty components of sale. Calculations have been done allowing for time, inflation and value of money to assist in the determination of a comparable value for the subject property.*

The valuer has also based his interpretation and calculations on assumptions of information gathered from estate agents and other property professionals whom are all active in the area.
The information (assumptions) was interpreted, amended and applied in the determination of the appropriate market value of the subject property.

3.) Date of Valuation

2017/09/13

4.) Date of Inspection

2017/09/01

5.) Town Planning Information

Zoning *As per town planning scheme*

PROPOSED DIVISION

UNITAS PARK EXT. 19

Situated on Part of Portion 224
of the farm HOUTKOP 594-IQ

USES	ERF NO.	No. of Erven	AREA (ha)	%
Business 1	1-2	2	7,0080	91.74
Existing public roads			0,6311	8.26
TOTAL		2	7,6391	100.00

NOTES:
1.) The line denotes the township boundary.
2.) All measurements are approximate.
3.) Line of No Access
4.) Unitas Park Extension 17 is divided into Extensions 18 to 21
5.) Erf 2 is subject to a 5m Building Line as shown on layout plan
6.) Erven 1 & 2 will be consolidated after proclamation of the township

6.) Ownership

NA

7.) Extent of land

7,0080ha excluding roads.

8.) Description and location of Improvements

Vacant land .

9.) Sales

*Sales in the area indicate a rate of between R350pm^2 and R400pm^2.
We made use of Lightstone, Property 24 and various other sources of sales information. Variables occur because of location, zoning and extent of properties that have changed hands.*

10.) Calculation

Value of the land per ha would be	*R400,00*
Thus R400pm^2 x 70 080m^2 =	*R28 032 000-00.*
Rounded	*R28 000 000-00*

This value excludes VAT and all other costs.

Gross leasable area 22 000m^2 @ R1 275pm^2

Value	*R28 050 000*
Rounded average	*R28 000 000*

11.) Certifying of Value

I, T L Van Der Linde Professional Valuer registered in accordance to Article 20 (2)(a) of the Valuers Act of 2000 hereby declare that I have personally inspected and valued the subject property as described in this report.

…………………………………….
T L van der Linde
Professional Valuer
Registration Numbers

MIVSA	*VAN072*
MSACPVP	*4017/0*

CAVEATS

1. ***Full Disclosure***

   This valuation has been prepared on the basis that full disclosure of all information and factors which may affect the valuation have been made to ourselves and we cannot accept any liability or responsibility whatsoever for the valuation, unless such full disclosure has been made.

2. ***Third Party Involvement***

   In undertaking this valuation, we have relied on information supplied by third parties and have assumed such information to be substantially correct.

3. ***Valuation Standard***

   This valuation has been prepared in accordance with the International Valuation Standards Committee requirements and as adopted by the South African Institute of Valuers.

4. ***Freehold Property***

   In the case of Freehold properties we have inspected, when available, the relevant Title Deed documents. Where as a result of our inspections some points have caused us concern as to the Title, we have referred specifically to them in the relevant detailed Valuation Reports. Where the Title Deeds were not available we have assumed that good title can be shown and that the property is not subject to any unusual or especially onerous restrictions, encumbrances or outgoings.

5. ***Mortgage Bonds, Loans or Other Charges***

   The property has been valued as if wholly owned with no account being taken of any outstanding monies due in respect of mortgage bonds, loans or other charges. No deductions have been made in our valuation for the cost of acquisition, such a legal or transfer fees, or disposal of the assets.

6. ***Calculation of Areas***

   All areas quoted within the Valuation Report have been provided by you and we assume have been arrived at using the SAPOA standard method of measurement.

7. ***Plans***

   All plans included within the Valuation Report are supplied for the purpose of identification only and are not necessarily to scale.

8. ***Property Boundaries***

The farm or property boundaries, as indicated to Tips Consultants CC by the instructing client or his appointed agent, or the boundaries as indicated by plans supplied by the client, are assumed to be the legal extent of the property. Any variation of these boundaries by extension or omission, and the resultant inclusion or omission of any improvements as a result of this or these variations, cannot therefore be regarded as the responsibility of Tips Consultants CC.

9. *Outgoings*

It is assumed, except where otherwise stated, that the property is subject to the normal landlord's outgoings and that there are no onerous restrictions or unusual covenants of which we have no knowledge. In preparing our valuation we have formed our opinion of outgoings, having had reference to the various schedules of outgoings supplied by you to us.

10. *Structural Condition*

The property has been valued in its existing state. In the event of its ownership or use changing in such a manner that the local authority will require the upgrading of the premises to comply with fire protection and other regulations, it may be necessary to reduce the valuation by the amount covering the cost of such compliance.

We have had regard to the apparent state and condition of the property but have not carried out a structural survey, nor inspected those areas which were covered, unexposed or inaccessible, neither have we arranged for the testing of electrical, heating or other services. The valuation assumes that the services and structures are in a satisfactory state of repair and condition, unless otherwise stated in our report. The valuation further assumes that the improvements have been erected in accordance with the relevant Building and Town Planning Regulations as well as the Local Authority by-laws.

We have not inspected woodwork or other parts of the structure, and we are therefore unable to repost that such parts of the property are free from rot, beetle or other defects.

We have assumed that no deleterious or hazardous materials or techniques were used in the construction of the property nor have since been incorporated.

11. *Contamination*

Our valuation assumes that a formal environmental assessment is not provided and further that the property is not environmentally impaired nor contaminated, unless otherwise stated in our report.

12. ***Vacant Land***

We have not carried out any soil or substratum tests on the property and we have assumed that the property is suitable for the purpose for which it would be put without having to provide excessive reinforcement to any structure built thereon.

13. ***Statutory Notice and Unlawful Use***

We have assumed that the property and its value are unaffected by any statutory notice, and that neither the property nor its condition, nor its use, nor its intended use, is or will be unlawful.

14. ***Individual Properties***

The values reported are for the individual properties. No allowance is made for any premium which maybe applicable for an assembled portfolio of properties, nor is a discount allowed for any flooding of the market which might exist if all or a majority of the properties were offered for sale simultaneously.

15. ***Confidentiality***

This valuation is produced exclusively for the client and for the specific purposes to which it refers. It may be disclosed to your other professional advisers assisting you in respect of that purpose. We accept no responsibility whatsoever to any parties other than yourselves who make use of this valuation.

16. ***Non-Publication***

Neither the whole nor any part of this valuation report or certificate, nor any reference thereto, may be included in any published document, circular or statement, nor published in any way without the written approval of Tips Consultants CC as to the form or context in which it may appear and acknowledgement that Tips Consultants CC were the professional valuers.

17. ***Independent Valuers Clause***

Neither the Valuer, nor Tips Consultants CC or any employee, have any present or contemplated interest in this or any other properties or any other interests which would affect the statements or values contained in this valuation report. The valuation enclosed herewith was therefore undertaken on a completely independent basis by an external valuer employed by Hlanganani Consultants (Pty) Ltd a company which specializes in the valuation of real estate and which does not trade in these assets.

18. ***Expert Witness***

In the event, if expert witness services are required, an additional fee for attending court and other proceedings will be levied in accordance with the guideline fees as set out in the Property Valuers Profession Act of 2000, Board Notice 121 of 2009. (Published in the Government Gazette No.32581, dated 25 September 2009)

19. ***Value Added Tax***

All figures quoted are exclusive of Value Added Tax.